



Office of Mayor London N. Breed Mayor's Office of Housing and Community Development

Public Meeting Regarding Proposed Budget
February 7, 2023



MOHCD - Overview

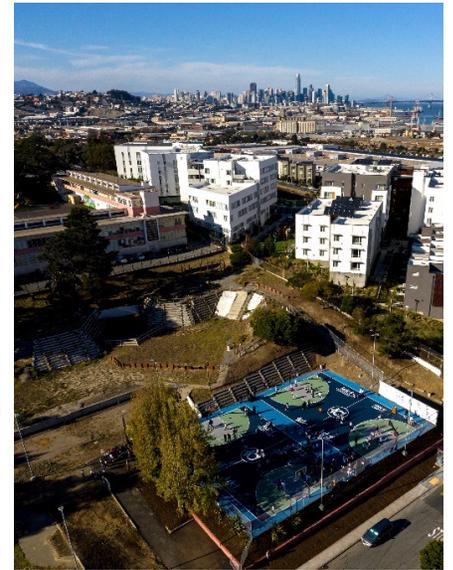
- Support San Franciscans with affordable housing opportunities and essential services to build strong communities
- The overall budget for FY 2022-23 is \$210 million and includes 127 positions
- Divisions include:
 - Housing
 - Community Development
 - Homeownership and Below Market Rate (HBMR)
 - Finance and Administration





MOHCD Divisions

- Housing division focuses on creating housing policies and programs that create safe, stable, and affordable housing.
- Community Development division works with a broad network of community-based partners to create an inclusive and equitable City where all residents can thrive.
- Homeownership and Below Market Rate (HBMR) division delivers affordable homeownership opportunities, implements inclusionary programs, and ensures that all City-sponsored affordable housing is accessible to the people it is intended to serve.
- Finance and Administration division ensures that the department has the financial, human, and technological resources necessary to manage our investments and policies.



MOHCD Policy Priorities: Racial Equity



- Center and operationalize our racial equity goals by using a racial equity lens in all our work, including each of the following policy priorities.

MOHCD Policy Priorities: Anti-displacement & Housing stabilization



- Continue strong partnerships with community-based organizations who have deep ties to the communities they serve, in an effort to distribute targeted financial assistance that ensures housing stability and reduces evictions.
- Protect vulnerable residents from the legal and economic shocks that could impact their ability to remain housed, through eviction prevention programs.
- Acquire and preserve properties throughout San Francisco as permanently operated affordable housing

MOHCD Policy Priorities:

Housing opportunities for vulnerable communities



- Continue to develop and maintain accessible and affordable housing including an expansion of our affordable housing portfolio and pipeline.
- Broaden access to housing opportunities through DAHLIA, and more specifically to opportunities close to home through neighborhood preference and community-based housing counseling services.

MOHCD Policy Priorities: Effective Partnerships



- Strengthen alignment of shared goals with other city departments and leverage resources and investment to advance these goals
- Continue to engage with federal, state, and philanthropic partners on aligned investment strategies to advance housing production, preservation and placements
- Strengthen agency communication and processes to advance highest housing production, preservation and placement priorities and advance Housing Element implementation



MOHCD Budget Overview

- Approximately 60% of MOHCD's budget does not go through the Board's annual budget process (AAO) and is appropriated at other times.
- Fund sources not included in the AAO:
 - *GO Bonds* – FY21-22: 31% of expenditures
 - *Federal and State Grants* – FY21-22: 18% of expenditures
 - *Development impact fees* – FY21-22: 10% of expenditures
 - *Loan repayments* – FY21-22: 1% of expenditures
 - *Other* – fees supporting bond issuance and monitoring; legal settlements; development agreements – FY21-22: 2% of expenditures



MOHCD FY 22-23 AAO Budget

Total budget of \$209.8M, including:

- \$54.8M General Fund grants to CBOs, of which \$3.2M is one-time
- \$45.2M Housing Trust Fund (HTF)
- \$26.3M Local Operating Subsidy Program (LOSP)
- \$18.0M one-time market-rate housing developer contributions
- \$15.1M of renter and homebuyer assistance
- \$12.6M General Fund HOPE SF investment, of which \$11M is one-time
- \$10.9M housing impact fees and former SFRA housing assets
- \$10.0M one-time funding for rehab of existing affordable housing
- \$4.6M payments to other departments
- \$4.0M of one-time Senior Operating Subsidies
- \$2.9M Cultural Districts





MOHCD FY 23-24 Proposed Budget

Total proposed budget of approximately \$177.7M, a reduction of \$31.1M from FY 22-23.

Major decreases include elimination of one-time items:

- \$11M for Sunnydale HOPE SF community center
- \$10M for Existing Nonprofit Housing NOFA
- \$4M for Senior Operating Subsidy program
- \$3.7M net decrease in grants to non-profits
- \$2.5M net decrease from market-rate housing developers



MOHCD FY 24-25 Proposed Budget

Total proposed budget of approximately \$182.9M, an increase of \$5.2M.

Major increases:

- \$2.8M Charter-mandated increase to Housing Trust Fund
- \$2.2M net increase from market-rate housing developers



MOHCD Budget Instruction Targets

MOHCD's Budget Instruction Targets are a reduction of \$3.1M in FY23-24 and \$4.9M in FY24-25. These reductions will be from our CBO grants & short-term rental assistance line items. The specific reduction methodology is still to be determined.

We do not yet know if these reductions will be implemented as part of the Mayor's proposed June 1 budget.





Mayor's Office – Overview

- The Mayor's Administration supports the Office of the Mayor through policy, budget, communications, and some constituent services.
- The overall budget for FY 2022-23 is \$10.1 million and supports 43 FTE.
- Divisions include:
 - Mayor and Senior Staff
 - Policy and Government Affairs
 - Communications
 - Budget
 - Administrative and Operations



Mayor's Office – Budget Summary

Mayor's Office Budget (\$millions)

Spending Category	FY 2022-23 (Adopted)	FY 2023-24 Base	FY 2024-25 Base
Salaries & Benefits	8.2	8.5	8.8
Non-Personnel, Projects, Materials and Supplies	1.2	1.2	1.2
Services of Other Departments	0.7	0.7	0.7
Total	\$10.1 million	\$10.4 million	\$10.7 million

- Adopted FY 2022-23 and FY 2023-24 budget included salary and benefit increases based on updated COLAs and increases to citywide workorders
- Mayor's Office will review budgeted staff savings due to attrition and turn-over and reductions that can be made in non-personnel spending to meet budget instructions



Mayor's Office – Budget Priorities & Feedback

- Support the Mayor's priorities for the City budget, which include:
 - Recovery of the local economy with a focus on downtown and economic core
 - Improving public safety and street conditions
 - Reducing homelessness and transforming mental health service delivery
 - Accountability and equity in services and spending
- Public meeting on Mayor's budget priorities before April 1
- Feedback regarding the Mayor's Office budget **and** the Mayor's budget priorities may be sent to: budget@sfgov.org

